Conducted on August 2, 2024
Yamato Holdings Co., Ltd.

Main Questions and Answers (summary) at Financial Results Briefing for the 1st Quarter of the Fiscal Year Ending March 31, 2025

Q1. What are your thoughts on delivery volumes and unit prices on the three parcel delivery products for the first quarter and the full-year forecast?

- In the first quarter, the total delivery volume increased by 2.0% year-on-year due to increases in the Corporate domain, despite a drop in the Retail domain as delivery demand remains weak with sluggish consumption.
- At the same time, the average unit price in the first quarter decreased by 1.0% overall year-on-year due to changes in the volume mix between Retail and Corporate domains, despite revisions to reported fares and tariffs leading to increases in Retail domain unit price.
- While we will continue to focus on building up Retail domain handling volumes, demand recovery from the impact of consumption trends will take time. We will also be strengthening our efforts to optimize pricing for existing accounts in the Corporate domain. Therefore, the volume forecast has been revised, but the average unit price forecast remains unchanged.

Q2. What progress has been made in optimizing pricing for corporate clients, and what points are being valued by new customers?

- Negotiations towards optimization are ongoing on applicable fares for corporate customers, taking into account the status of contract renewals to date.
- We are also working on bolstering both training for and strengthening the organizational structure of our corporate sales staff to engage with the issue of "sophistication of sales force capabilities”.
- Taking into account the situation in the first quarter for delivery volumes and average unit prices, Yamato will actively promote efforts to optimize pricing based on the TA-Q-BIN network capacity and its operating costs.
- Corporate clients requesting parcel deliveries to individuals highly value improvements to the parcel-receiving experience, including "advance notification" for Kuroneko Members. In addition, the carbon-neutral delivery of three parcel delivery products has also led to the acquisition of environmentally conscious

corporate customers.

Q3. Please explain the progress and outcomes of structural reforms to network operations.

- In the first quarter, while hourly wage rates continued to rise and outsourcing unit costs to partners increased due to changes in the external environment, we made progress in efforts to optimize operating costs linked to workload, particularly in the last mile domain, and costs were kept within expectations.
- As well as advancing initiatives to optimize operating costs in the last-mile domain, we will progress on improving profitability by bolstering optimization of operating costs in the transport domain through redefining terminal functions, automating work instructions through the establishment of fully digital operations and optimal allocation of management resources according to workload.

Q4. What is your future outlook on the use of freighters (dedicated cargo aircraft)?

- We started freighter operations (dedicated cargo aircraft) in April 2024 to capture new demand by providing stable and fast transport, revitalizing the regional economy by expanding distribution, and maintaining and improving the quality of transportation services. Our top priority in the first quarter was to establish stable operations.
- Currently, we are promoting sales to customers requiring speedy transportation such as fresh food, machinery, and apparel in order to acquire new demand, in addition to utilizing our freighters for TA-Q-BIN transportation. Moving forward, we will be responding to additional client needs by gradually expanding the number of flights, making use of the new flights to and from Haneda Airport which started August 1, 2024, and reviewing our operating zones and timetables.